

EUROPEAN ECONOMY

COMMISSION OF THE EUROPEAN COMMUNITIES • DIRECTORATE-GENERAL FOR ECONOMIC AND FINANCIAL AFFAIRS

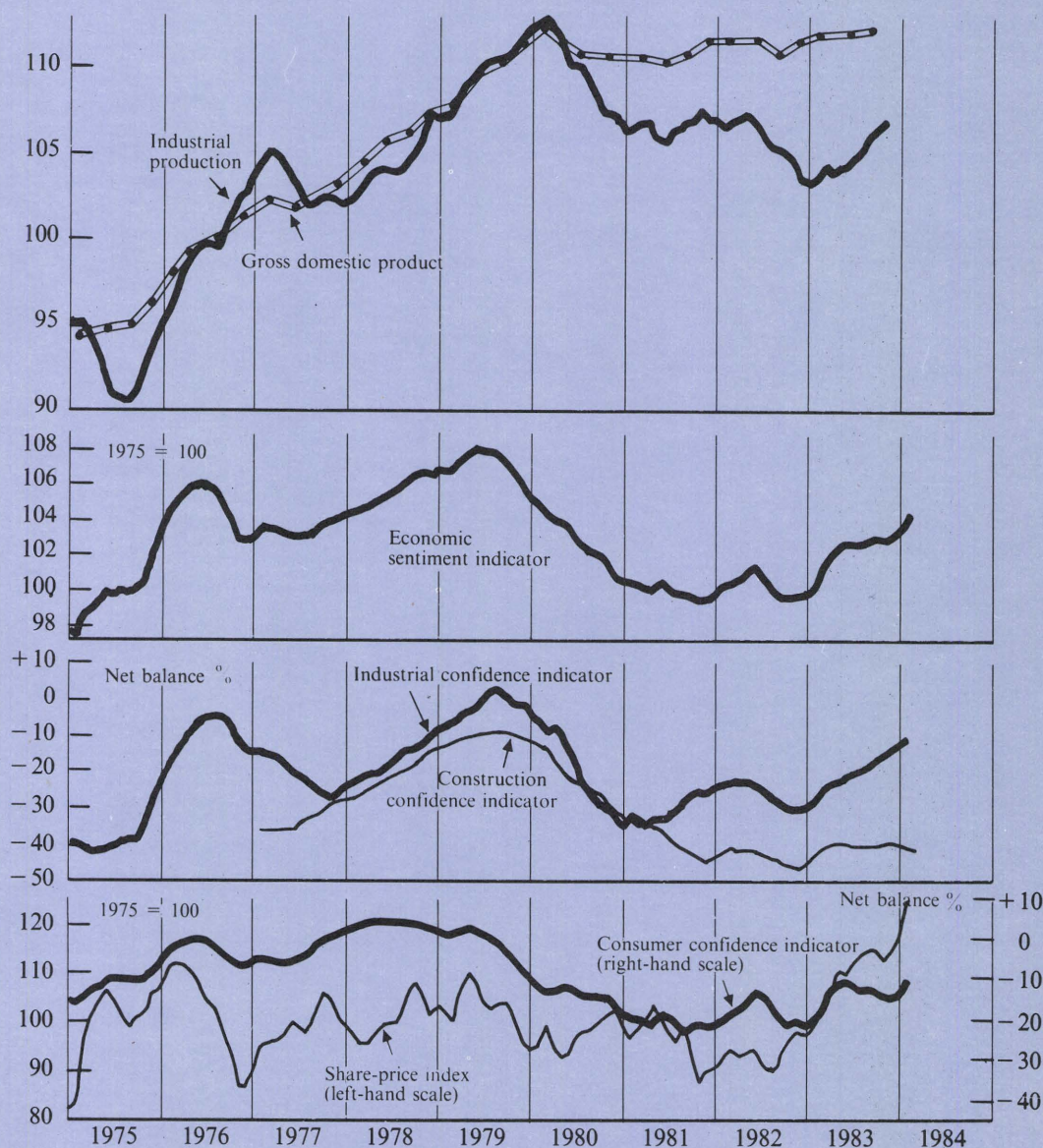
Supplement B — No 2 — February 1984

Business survey results

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*This month:
Historical Data Series*

GRAPH 1: Indicators of output and economic sentiment — European Community



General improvement in economic sentiment. — Business surveys undertaken in January suggest that prospects for an economic recovery in Europe have further improved. All Member States reported an increase of between 0,1 and 1,4 points in the economic sentiment indicator (Table 2). Improvements in consumer sentiment in the Federal Republic of Germany (+3), the United Kingdom (+2) and the Netherlands (+2), and a continued upward movement of stock exchange prices contributed to this increase.

Further advance in industrial production expectations. — Industrial production expectations in the European Community advanced by 1 point in January over the December 1983 level. While assessments on order-books and export order-books were less pessimistic (by 2 and 1 point respectively), an increasing number of industrialists judged the level of stocks of finished products to be higher than usual (Table 3).

Industrial climate in the Member States. — The industrial confidence indicator for the *Federal Republic of Germany* rose by 2 points in January, after having increased by 16 points in 1983, clearly confirming that business confidence is further improving (Tables 3 and 5). The short-term outlook for German industrial production strengthened (+3 points), as did order-book levels (+2 points). Views on export order-books and stocks of finished products rose by 2 and 1 points respectively. In *France*, the industrial indicator continued deteriorating in all components: production expectations (-2), judgments on order-books (-2) and the level of stocks of finished products (-4). There was, however, a marked improvement in business confidence in *Italy*: the industrial confidence indicator improved in January by 3 points, reflecting, in particular, the very large advance of 14 points in industrial production expectations, which was only partly offset by a deterioration of 3 points in the assessments of order-books and of the level of stocks of finished products.

TABLE 1: Comparison of 1981 recovery of survey indicators with that of 1983

	Increase in net balance	
	1981	1983
Industrial confidence indicator	+10 (4/81-1/82)	+18 (11/82-1/84)
Production expectations	+18 (9/80-1/82)	+23 (10/82-1/84)
Order-books	+12 (6/81-1/82)	+22 (12/82-1/84)
Export order-books	+12 (3/81-1/82)	+24 (9/82-1/84)
Stocks of finished products	-10 (3/81-1/82)	-11 (8/82-1/84)
Industrial Production Index (%)	0 (4/81-1/82)	+5 (12/82-11/83)

In the *United Kingdom*, the industrial confidence indicator was unchanged in January, mainly due to a fall of 7 points in production expectations and a compensating rise in order-book assessments (+7 points). The majority of industrialists judging the level of stocks of finished products to be above normal increased slightly by 1 point.

Production expectations improved in January in the *Netherlands* (+2 points), in *Ireland* (+4 points) and in *Luxembourg* (+6 points), and industrialists in all three Member States also became less pessimistic concerning the level of order-books. In *Belgium*, the industrial confidence indicator fell by 2 points, due to the deterioration of production expectations (-2), judgments on the level of order-books (-1) and the level of stocks of finished products (-3) (Table 3).

Rise in selling-price expectations. — Graph 2 clearly shows the general upward trend in selling-price expectations throughout 1983, interrupted only by pauses in the summer and at the end of the year. The January survey shows a considerable jump in this series which might be a precursor of inflationary pressures, at least in terms of producers' prices: a rise in raw material prices, and expectations of somewhat larger profit margins as the recovery strengthens, appear to be the principal underlying factors.

Evidence on the strength of the current upswing. — How certain are we from the evidence of the business surveys that the present recovery is a real and significant cyclical upswing? The industrial confidence indicator and its components are shown in Graph 2 in historical perspective back to 1974. Past data suggest that in general a rise in the industrial confidence indicator was followed by a real upswing in the economy. The only exception occurred in 1981 (Table 1). However, in the present phase practically all the components of the industrial confidence indicator (stocks of finished products excepted) have risen far more strongly than in that of 1981, and the present improvement in confidence has already lasted much longer. Moreover, the confidence indicator has risen much more (18 points against 10 in 1981). The much stronger increase in order-books, which underpins production expectations is especially significant. In this context industrial production has already risen by over 5% in the 11 months to November 1983, a considerable contrast to its performance in 1981. However, the recovery in the confidence indicator two years ago was partly due to a very strong growth in France which was clearly unsustainable. In contrast, the present advance in the confidence indicator is fairly general and short-run unsustainability seems less of a problem in these countries where it has risen most (Germany, United Kingdom).

Last but not least this time both the consumer and investment surveys appear relatively favourable compared to the 1981 situation (see Supplement B, January 1984).

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GRAPH 2: Monthly survey of manufacturing industry and related economic indicators: EC
Historical data, 1974 to 1984

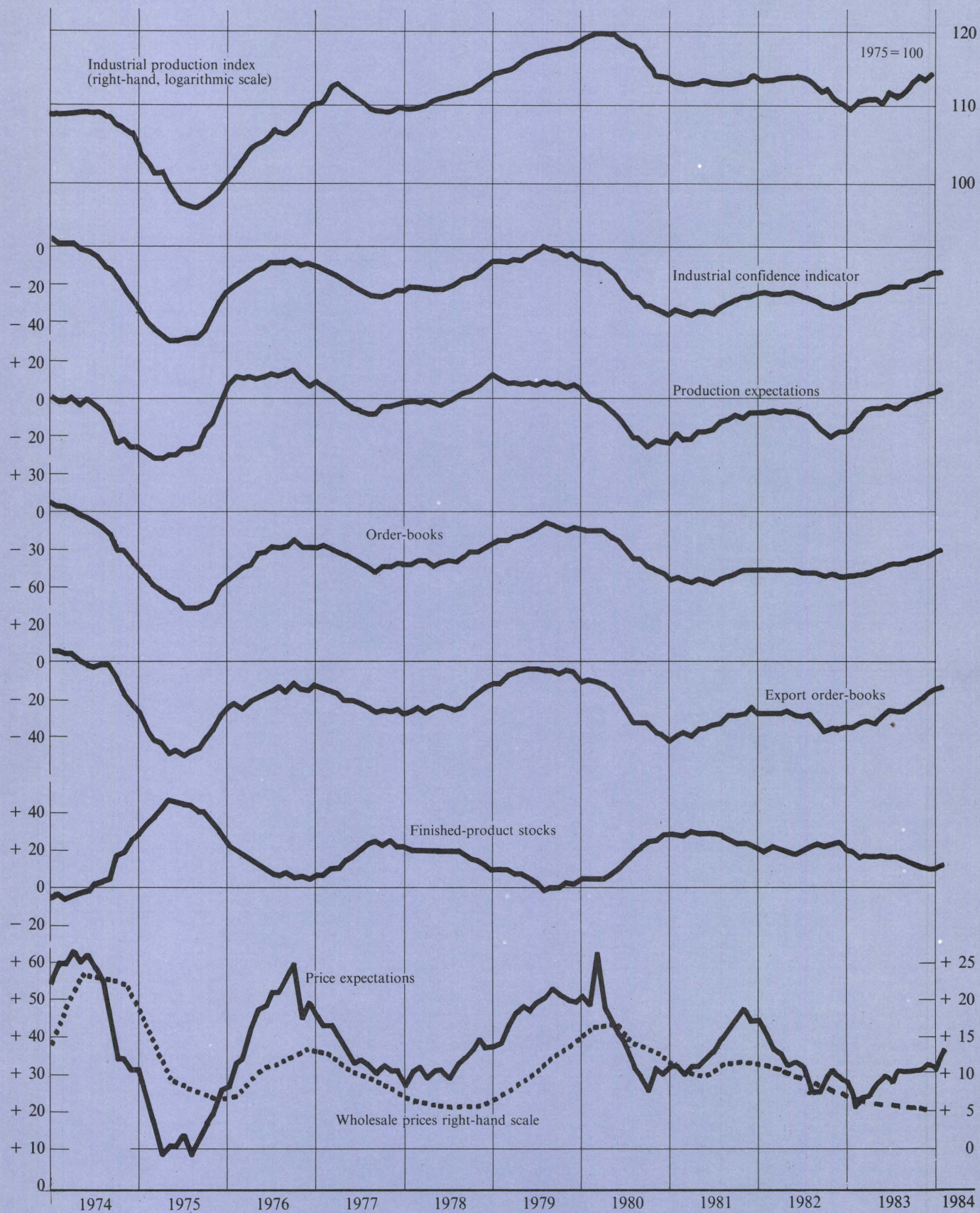


TABLE 2: Indicators of output and economic sentiment

		Trough 1974/75	1981	1982	1983	1983				1983					1984
						I	II	III	IV	August	Sept.	Oct.	Nov.	Dec.	Jan.
B	<i>gross domestic product</i>	1975 =	113,9	112,8	:	:	:	:	:	:	:	:	:	:	:
	<i>index of industrial production</i>	100	88,2	111,6	:	112,4	113,2	115,9	:	116,3	115,4	117,2	:	:	:
	1. industrial confidence indicator		-56	-27	-22	-23	-21	-19	-14	-18	-18	-16	-16	-12	-14
	2. construction confidence indicator		-36	-47	-48	-56	-57	-55	-60	-57	-56	-57	-63	-60	-61
	3. consumer confidence indicator ^{1,4}		-18	-27	-27	-31	-22	-26	-30	:	:	:	:	:	:
	4. share-price index ^{4,5}		84,9	70,7	86,8	96,9	111,9	119,5	117,2	120,5	120,7	113,5	115,6	122,4	140,3
	= 5. economic sentiment indicator		99,3	97,8	99,0	98,8	100,5	100,7	100,3	100,8	100,7	100,2	100,0	100,7	102,0
D	<i>gross national product</i>	1975 =	99,0	118,6	117,2	:	117,3	118,5	118,7	:	:	:	:	:	:
	<i>index of industrial production</i>	100	97,9	115,9	112,5	:	111,1	113,5	113,3	:	113,2	114,5	114,8	116,3	:
	1. industrial confidence indicator		-49	-30	-33	-21	-30	-23	-17	-19	-19	-15	-13	-11	-10
	2. construction confidence indicator		-72	-48	-59	-40	-48	-39	-35	-37	-36	-32	-36	-38	-41
	3. consumer confidence indicator ^{1,4}		-22	-22	-26	-12	-17	-7	-11	-11	-10	-12	-12	-12	-10
	4. share-price index ^{4,5}		80,0	108,7	108,3	136,9	121,3	139,4	139,2	147,6	140,8	137,8	143,8	147,6	151,3
	= 5. economic sentiment indicator		98,8	98,9	98,2	101,3	99,5	101,7	101,7	102,3	101,7	101,7	102,0	102,2	103,1
F	<i>gross domestic product</i>	1975 =	98,5	117,8	119,9	:	120,2	120,7	120,2	:	:	:	:	:	:
	<i>index of industrial production</i>	100	86,9	115,5	113,7	:	113,7	114,9	115,8	:	116,4	114,6	113,7	116,4	:
	1. industrial confidence indicator		-49	-30	-17	-23	-18	-23	-28	-22	-28	-27	-21	-23	-26
	2. construction confidence indicator		:	-36	-49	-52	-44	-50	-59	-57	:	:	-57	:	-58
	3. consumer confidence indicator ^{1,4}		-9	-9	-5	-16	-9	-17	-18	-19	:	:	:	:	:
	4. share-price index ^{4,5}		79,8	131,5	131,0	173,5	144,3	166,3	183,0	200,3	185,5	186,6	194,8	197,4	208,6
	= 5. economic sentiment indicator		98,1	98,9	98,9	97,4	98,6	97,3	96,5	97,0	96,5	96,5	97,0	96,9	97,1
IRL	<i>gross domestic product</i>	1975 =	:	123,6	:	:	:	:	:	:	:	:	:	:	:
	<i>index of industrial production</i>	100	96,3	134,7	135,3	:	143,9	139,6	144,9	:	142,0	144,1	145,1	:	:
	1. industrial confidence indicator		-41	-18	-19	-20	-26	-24	-17	-12	-20	-13	-16	-13	-8
	2. construction confidence indicator		:	-33	-51	-60	-77	-61	-58	-44	-58	-66	-53	-56	-22
	3. consumer confidence indicator ^{1,4}		-41	-28	-34	-40	-36	-44	-41	-38	:	:	:	:	:
	4. share-price index ^{4,5}		63,4	219,9	179,9	222,4	171,6	206,8	249,7	261,4	250,6	261,0	268,3	257,8	258,0
	= 5. economic sentiment indicator		97,7	102,0	101,4	101,3	100,8	101,3	101,1	101,8	101,0	101,4	101,7	101,7	102,0
I	<i>gross domestic product</i>	1975 =	93,1	120,9	120,5	:	119,3	117,3	118,3	:	:	:	:	:	:
	<i>index of industrial production</i>	100	94,7	125,0	121,7	:	120,8	115,2	117,1	:	115,3	117,9	116,4	123,9	:
	1. industrial confidence indicator		-59	-31	-31	-29	-35	-33	-27	-23	-27	-24	-22	-25	-21
	2. construction confidence indicator		-56	-18	-29	-36	-35	-34	-37	-35	-37	-37	-36	-33	-40
	3. consumer confidence indicator ^{1,4}		-39	-22	-18	-23	-25	-21	-22	-22	-22	-21	-24	-23	-20
	4. share-price index ^{4,5}		84,6	160,0	129,9	160,0	154,7	161,6	161,9	161,7	172,9	170,0	160,0	162,0	163,0
	= 5. economic sentiment indicator		99,1	102,1	101,8	101,7	100,5	101,2	101,4	101,2	101,4	101,5	101,0	101,1	101,5
NL	<i>gross domestic product</i>	1975 =	:	112,1	111,1	:	:	:	:	:	:	:	:	:	:
	<i>index of industrial production</i>	100	98,0	111,0	107,0	:	108,7	107,3	106,3	:	105,0	105,0	107,0	110,0	:
	1. industrial confidence indicator		-44	-25	-26	-16	-20	-17	-15	-12	-15	-12	-12	-13	-10
	2. construction confidence indicator		-47	-32	-41	-35	-42	-37	-32	-27	-32	-29	-26	-26	-26
	3. consumer confidence indicator ^{1,4}		-19	-31	-32	-30	-34	-28	-28	-28	:	:	:	:	-26
	4. share-price index ^{4,5}		80,5	98,9	100,0	144,5	122,7	142,2	154,1	158,8	154,9	155,5	156,5	154,5	165,5
	= 5. economic sentiment indicator		99,6	98,3	98,1	100,2	98,8	100,2	100,7	101,1	100,7	100,9	101,0	100,8	101,4
UK	<i>gross domestic product</i>	1975 =	98,1	106,9	109,5	:	113,3	111,6	112,4	:	:	:	:	:	:
	<i>index of industrial production</i>	100	97,0	104,2	106,0	:	107,8	107,6	109,1	:	108,7	109,8	109,2	109,7	:
	1. industrial confidence indicator		:	-33	-25	-10	-21	-10	-6	-3	-5	-4	-8	-1	+1
	2. construction confidence indicator		:	-51	-42	-30	-31	-32	-30	-28	:	:	-28	:	-28
	3. consumer confidence indicator ^{1,4}		-33	-21	-12	-2	-6	+1	0	-1	+1	-1	-2	-1	0
	4. share-price index ^{4,5}		49,2	237,0	274,6	347,4	321,8	346,9	360,4	360,6	366,4	355,2	347,7	363,7	370,3
	= 5. economic sentiment indicator		95,0	100,9	101,8	103,7	102,9	103,7	104,1	104,1	104,3	104,1	103,7	104,2	104,3
EC	<i>gross domestic product</i> ^{2,3}	1975 =	99,0	116,4	117,0	:	117,6	117,6	117,8	:	:	:	:	:	:
	<i>index of industrial production</i>	100	96,8	114,4	112,8	:	111,5	111,7	113,6	:	113,8	114,6	114,0	115,1	:
	1. industrial confidence indicator		-49	-31	-27	-20	-25	-21	-18	-14	-19	-16	-16	-14	-12
	2. construction confidence indicator		:	-39	-43	-41	-41	-40	-41	-40	(-41)	(-40)	-40	(-40)	(-41)
	3. consumer confidence indicator ^{1,4}		-17	-19	-17	-14	-16	-12	-14	-15	-13	-14	-15	-15	-14
	4. share-price index ^{4,5}		81,8	170,2	187,2	248,7	217,8	242,7	258,3	266,7	259,6	261,2	258,9	266,8	274,5
	= 5. economic sentiment indicator		97,4	99,9	100,1	102,2	100,7	102,1	102,8	103,1	102,9	103,0	102,8	103,1	103,4

¹ Quarterly series are constructed by attributing results of the January, May and October surveys to the first, second and fourth quarters respectively. Third quarter data are interpolated between second and fourth quarter values. For the message of construction of the indicator, see: *European Economy - Supplement C*.

² Weighted total of quarterly figures for the Federal Republic of Germany, France, Italy and the UK. For the annual figures, source Eurostat.

³ For the Federal Republic of Germany, gross national product.

⁴ Not seasonally adjusted.

⁵ Revised by Eurostat.

Source: European Community business surveys and Eurostat.

TABLE 3: Monthly survey of manufacturing industry — Monthly questions and the composite industrial confidence indicator (a)
 Net balances: i.e. differences between the percentages of respondents giving positive and negative replies (s.a.)

		Range (b)		1981	1982	1983	1983				1983					1984
		Peak	Trough				I	II	III	IV	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.
		1972/73	1974/75													
B	production expectations	+31	-56	-26	-18	-16	-23	-19	-15	-6	-15	-14	-10	-7	-2	-4
	order-books	+13	-74	-45	-40	-34	-39	-36	-33	-28	-32	-32	-29	-31	-25	-26
	export order-books	+15	-82	-47	-40	-34	-39	-35	-31	-30	-30	-31	-30	-30	-30	-28
	stocks of finished products	-14	+37	+11	+8	+9	+8	+10	+9	+9	+8	+7	+10	+10	+8	+11
	selling-price expectations	+64	-10	+29	+28	+24	+23	+24	+25	+24	+25	+27	+24	+22	+27	+28
	industrial confidence indicator	+19	-56	-27	-22	-20	-23	-21	-19	-14	-18	-18	-16	-16	-12	-14
DK	production expectations	:	:	-3	+4	+7	+5	0	+6	+17	:	:	:	:	:	:
	order-books	:	:	-24	-17	-4	-8	-14	-2	+7	:	:	:	:	:	:
	export order-books	:	:	-7	-4	-3	-2	-4	-5	+1	:	:	:	:	:	:
	stocks of finished products	:	:	+17	+16	+12	+14	+10	+9	+4	:	:	:	:	:	:
	selling-price expectations	:	:	-15	-10	-3	-6	-8	-2	+7	:	:	:	:	:	:
	industrial confidence indicator	:	:	-15	-10	-3	-6	-8	-2	+7	:	:	:	:	:	:
D	production expectations	+17	-32	-17	-20	-2	-12	-2	+1	+6	0	+3	+3	+7	+7	+10
	order-books	-5	-73	-46	-53	-43	-54	-46	-40	-31	-42	-37	-35	-32	-27	-25
	export order-books (c)	+23	+33	-1	-7	-4	-9	-8	-2	+5	-3	0	+1	+6	+7	+9
	stocks of finished products	-7	+43	+26	+26	+17	+25	+20	+13	+9	+14	+11	+8	+9	+9	+8
	selling-price expectations	+55	+4	+32	+18	+16	+6	+15	+21	+23	+22	+26	+25	+23	+22	+25
	industrial confidence indicator	+10	-49	-30	-33	-21	-30	-23	-17	-11	-19	-15	-13	-11	-10	-8
F	production expectations	+33	-29	-11	-4	-13	-9	-13	-18	-12	-18	-16	-8	-14	-15	-17
	order-books	+26	-69	-46	-30	-38	-32	-37	-42	-39	-42	-42	-37	-42	-37	-39
	export order-books	+24	-66	-47	-36	-38	-42	-44	-39	-26	-39	-40	-30	-25	-22	-24
	stocks of finished products	-14	+50	+34	+16	+18	+13	+18	+23	+16	+23	+23	+18	+12	+17	+21
	selling-price expectations	+76	+15	+54	+49	+45	+44	+47	+46	+43	+46	+42	+36	+46	+46	+52
	industrial confidence indicator	+29	-49	-30	-17	-23	-18	-23	-28	-22	-28	-27	-21	-23	-23	-26
IRL	production expectations	:	-21	-1	-4	-8	-8	-12	-6	-6	-11	+1	-9	-6	-2	+2
	order-books	:	-68	-36	-39	-44	-53	-50	-41	-32	-45	-37	-37	-37	-22	-19
	export order-books	:	-22	+2	-7	0	-10	-9	+4	+14	+5	+10	+6	+18	+18	+22
	stocks of finished products	:	+35	+16	+14	+8	+17	+10	+4	+1	+4	+2	+1	-3	-1	-6
	selling-price expectations	:	+64	+41	+35	+31	+28	+31	+30	+33	+27	+28	+27	+34	+37	+32
	industrial confidence indicator	:	-41	-18	-19	-20	-26	-24	-17	-12	-20	-13	-16	-13	-8	-4
I	production expectations	+40	-43	-16	-15	-11	-19	-13	-7	-6	-9	+2	+1	-9	-9	+5
	order-books	+30	-82	-49	-53	-54	-62	-59	-50	-45	-49	-51	-48	-47	-39	-42
	export order-books	+13	-67	-45	-49	-49	-55	-54	-47	-40	-47	-47	-43	-40	-37	-37
	stocks of finished products	-24	+53	+28	+25	+22	+24	+25	+23	+17	+24	+22	+19	+19	+14	+17
	selling-price expectations	+76	+10	+59	+50	+45	+43	+46	+43	+49	+37	+45	+50	+46	+50	+48
	industrial confidence indicator	+31	-59	-31	-31	-29	-35	-33	-27	-23	-27	-24	-22	-25	-21	-18
L	production expectations	+84	-80	-39	-40	-7	-27	-7	+5	-1	+4	+3	-3	+9	-2	+4
	order-books	:	:	-62	-60	-49	-62	-59	-45	-28	-48	-39	-41	-37	-6	0
	export order-books	:	:	-81	:	-57	-63	-68	-58	-38	-58	-56	-59	-48	-6	+2
	stocks of finished products	-14	+74	+28	+14	+23	+51	+22	+20	0	+17	+22	+6	+2	-7	-2
	selling-price expectations	:	-46	+60	+10	+24	+25	+42	+34	-6	+27	+38	-2	-19	+2	+38
	industrial confidence indicator	:	:	-43	-38	-26	-47	-29	-20	-9	-20	-19	-17	-10	0	+2
NL	production expectations	+26	-26	-6	-5	0	-4	-1	+1	+5	0	+5	+7	+2	+6	+8
	order-books	+7	-48	-37	-39	-32	-38	-33	-31	-27	-31	-29	-27	-28	-26	-22
	stocks of finished products	-3	+57	+32	+33	+15	+17	+16	+15	+13	+15	+12	+15	+14	+11	+13
	industrial confidence indicator	+12	-44	-25	-26	-16	-20	-17	-15	-12	-15	-12	-12	-13	-10	-9
UK	production expectations	:	:	-4	+1	+17	+4	+15	+22	+25	+23	+25	+18	+27	+31	+24
	order-books	:	:	-69	-54	-34	-48	-33	-29	-24	-26	-28	-29	-23	-20	-13
	export order-books	:	:	-55	-48	-34	-47	-34	-32	-21	-34	-29	-27	-22	-15	-17
	stocks of finished products	:	:	+27	+23	+13	+18	+13	+11	+9	+11	+8	+12	+6	+8	+9
	selling-price expectations	:	:	+25	+27	+26	+21	+25	+26	+30	+29	+26	+28	+32	+30	+38
	industrial confidence indicator	:	:	-33	-25	-10	-21	-10	-6	-3	-5	-4	-8	-1	+1	+1
EC (d)	production expectations	+24	-30	-13	-11	-3	-9	-4	-1	+3	-2	+2	+2	+3	+5	+6
	order-books	+15	-70	-51	-47	-40	-47	-42	-39	-33	-40	-37	-36	-33	-30	-28
	export order-books	+14	-48	-31	-30	-25	-32	-28	-24	-16	-25	-23	-19	-15	-13	-12
	stocks of finished products	-10	+48	+28	+22	+16	+19	+18	+16	+12	+16	+14	+13	+11	+11	+13
	selling-price expectations	+64	+9	+40	+32	+30	+24	+29	+32	+33	+32	+32	+32	+34	+33	+38
	industrial confidence indicator	+16	-49	-31	-27	-20	-25	-21	-18	-14	-19	-16	-16	-14	-12	-12

(a) The indicator is an average of the responses (net balances) to the questions on production expectations, order-books and stocks (the latter with inverted sign).

(b) These are the extreme (high and low) values of the net balances of the different questions, reached in the course of 1972/73 and 1974/75, respectively.

(c) The series for the Federal Republic of Germany concerns the export outlook, rather than orders as such.

(d) Not including Greece, where the survey time series are too short to permit an analysis of trends. (The Community survey was extended to Greece at the beginning of 1981.)

Note: (s.a.) = seasonally adjusted.

: = not available.

The annual and quarterly figures are averages of the corresponding monthly data. The seasonal adjustment applied to the most recent observations is provisional, so that such data are subject to later revision.

Source: European Community business surveys.

TABLE 4: Consumer opinion on economic and financial conditions

	1980	1981	1982	1983	1983												1984
					Jan.	Feb.	March	April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.
Federal Republic of Germany																	
Consumer Confidence indicator	-5	-22	-26	-15	-24	-18	-9	-7	-7	-8	-10	-10	-12	-12	-12	-10	-7
Financial situation of households																	
over last 12 months	-4	-16	-18	-14	-19	-17	-13	-12	-13	-11	-12	-11	-11	-12	-12	-11	-10
over next 12 months	-3	-12	-14	-9	-15	-10	-4	-4	-6	-6	-8	-6	-7	-6	-7	-6	-5
General economic situation																	
over last 12 months	-18	-46	-51	-29	-51	-45	-28	-14	-14	-14	-18	-16	-20	-18	-19	-17	-11
over next 12 months	-19	-33	-32	-14	-26	-13	4	-4	0	-4	-10	-10	-13	-12	-13	-10	-5
Price trend																	
over last 12 months	44	52	46	23	34	28	19	15	14	11	15	15	19	17	17	16	12
over next 12 months	51	50	43	30	34	27	18	19	23	25	28	28	31	30	28	26	25
Unemployment																	
over next 12 months	20	43	43	30	46	31	8	1	10	13	23	28	32	26	33	29	18
Major purchases																	
at present	18	-1	-17	-8	-8	-4	-4	-3	-4	-8	-5	-5	-8	-10	-7	-4	-4
over next 12 months	-19	-25	-28	-29	-32	-30	-25	-25	-29	-28	-30	-30	-30	-25	-26	-28	-25
Saving																	
at present	43	32	27	33	27	31	34	34	35	35	29	36	36	36	37	33	35
over next 12 months	44	23	-2	1	-2	0	4	5	3	1	1	3	5	1	3	4	3
Financial situation of households																	
net acquisition of financial assets	21	16	12	11	10	11	14	14	15	12	13	15	10	12	11	-12	12
Italy																	
Consumer Confidence indicator	-22	-22	-18	-24	-30	-25	-22	-21	-21	-22	-22	-22	-21	-24	-23	-20	-20
Financial situation of households																	
over last 12 months	-14	-14	-13	-15	-17	-16	-15	-15	-13	-14	-15	-15	-13	-17	-15	-13	-14
over next 12 months	-10	-8	-6	-8	-13	-7	-7	-6	-6	-5	-8	-8	-7	-10	-8	-6	-4
General economic situation																	
over last 12 months	-57	-60	-51	-57	-64	-61	-55	-51	-55	-55	-55	-55	-51	-57	-54	-50	-46
over next 12 months	-30	-30	-24	-25	-34	-23	-20	-19	-24	-22	-24	-24	-23	-24	-24	-20	-12
Price trend																	
over last 12 months	80	78	72	69	74	73	70	67	66	69	67	65	66	66	66	60	63
over next 12 months	60	58	56	54	62	52	51	48	54	52	54	54	54	55	52	49	52
Unemployment																	
over next 12 months	51	52	56	57	61	55	55	54	54	54	55	55	57	61	59	55	54
Major purchases																	
at present	2	4	1	-13	-20	-17	-14	-16	-9	-13	-9	-9	-11	-13	-14	-11	-22
over next 12 months	-17	-18	-22	-22	-20	-23	-20	-24	-17	-24	-21	-21	-21	-22	-25	-22	-22
Saving																	
at present	-6	-7	10	21	14	22	19	23	20	26	19	19	24	17	22	25	31
over next 12 months	-32	-30	-22	-27	-28	-29	-28	-26	-27	-24	-24	-24	-24	-29	-20	-21	-18
Financial situation of households																	
net acquisition of financial assets	8	8	13	9	8	7	9	8	11	10	11	11	11	9	9	11	10
United Kingdom																	
Consumer Confidence indicator	-18	-21	-12	-3	-5	-9	-4	-2	3	2	-1	1	-1	-2	-1	0	2
Financial situation of households																	
over last 12 months	-24	-30	-27	-15	-16	-17	-17	-17	-17	-12	-13	-14	-11	-14	-15	-15	-12
over next 12 months	-13	-15	-9	-2	-3	-3	-1	0	2	1	-5	-1	-3	-4	-3	-3	-1
General economic situation																	
over last 12 months	-55	-62	-40	-23	-34	-39	-29	-23	-8	-12	-16	-13	-17	-21	-16	-14	-12
over next 12 months	-24	-23	-10	-5	-13	-16	-2	0	14	2	-5	-3	-8	-11	-5	-5	1
Price trend																	
over last 12 months	59	41	31	15	17	17	18	14	10	12	9	13	13	15	14	13	13
over next 12 months	43	31	29	27	24	26	25	27	18	22	34	29	36	37	34	35	37
Unemployment																	
over next 12 months	58	50	34	37	48	51	40	36	24	30	40	43	37	37	23	21	23
Major purchases																	
at present	28	26	25	32	39	30	29	29	22	29	37	37	35	39	35	38	34
over next 12 months	-14	-19	-18	-15	-20	-16	-13	-16	-12	-13	-16	-13	-12	-13	-13	-11	-15
Saving																	
at present	6	5	5	10	7	5	8	4	12	18	15	19	14	19	14	16	18
over next 12 months	-16	-20	-17	-13	-12	-19	-14	-15	-8	-9	-14	-13	-12	-12	-12	-13	-18
Financial situation of households																	
net acquisition of financial assets	8	9	9	12	12	11	13	9	14	13	13	12	13	13	11	11	11

The questions for which results are published in this Supplement are listed below. The numbers in parentheses are the weights given to each percentage response to obtain the average answer to each question.

- Financial situation of your household now compared to 12 months ago?
- Financial situation of your household, prospects over the next 12 months?
- General economic situation in the country now compared to 12 months ago?
- General economic situation in the country, prospects over the next 12 months?

For the above four questions the possible responses are: a lot better (+1), a little better (+½), the same (0), a little worse (-½), a lot worse (-1), don't know.

- Price levels now compared to 12 months ago? Much higher (+1), moderately higher (+½), a little higher (0), about the same (-½), lower (-1), don't know.
- Price trends over the next 12 months? More rapid increase (+1), same increase (+½), slower increase (0), stability (-½), fall slightly (-1), don't know.
- Unemployment level in the country over the next 12 months? Increase sharply (+1), increase slightly (+½), remain the same (0), fall slightly (-½), fall sharply (-1), don't know.

- Major purchases (furniture, washing machine, TV, etc.) at present? Yes, right time (+1), neither right nor wrong time (0), wrong time, should postpone (-1), don't know.
- Major purchases next 12 months compared to last 12 months? Much more (+1), a little more (+½), the same (0), a little less (-½), don't know.
- Savings at present, a reasonable time to save?
- Savings by you or your household over the next 12 months?

For the above two questions the possible answers are: yes, certainly (+1), Yes, perhaps (+½), probably not (-½), certainly not (-1), don't know.

- Financial situation of households at present—financial asset accumulation? Borrowing (+1), drawing on savings (+½), just making ends meet (0), saving a little (+½), saving a substantial amount (+1), don't know.

The consumer confidence index is an arithmetic average of the answers to the four questions on the financial situation of households and general economic situation (past and future) together with that on the advisability of making major purchases.

TABLE 5: Monthly survey (a) of manufacturing industry and related economic time-series: EC 9
Historical data, 1970 to 1984

		1970	1971	1972	1973	1974	1975	1976	1977	1978	1979	1980	1981	1982	1983	1984
Gross domestic product at constant market prices (b)		Indices based on 1975 = 100														
year		87,6	90,6	94,3	99,7	101,3	100,0	105,1	107,7	111,4	115,4	116,7	116,4	117,0	:	:
quarter	1	85,6	89,2	92,9	98,8	101,3	99,2	103,7	107,5	109,6	113,2	118,0	116,3	117,3	117,6	:
	2	87,6	90,1	93,6	99,2	101,6	99,4	104,7	107,1	111,3	115,2	116,5	115,8	117,3	117,6	:
	3	88,1	91,2	94,3	100,3	102,1	99,8	105,3	107,5	111,6	116,0	116,1	116,4	116,3	117,8	:
	4	89,2	92,0	96,5	100,6	100,1	101,5	106,8	108,6	112,9	117,0	116,1	117,2	117,1	:	:
Industrial production (c)		Indices based on 1975 = 100														
year		92,8	94,9	99,1	106,5	107,1	100,0	107,4	109,6	112,5	117,8	117,2	114,4	112,8	:	:
quarter	1	89,7	91,8	93,5	103,7	107,8	101,2	104,6	112,5	110,2	115,4	120,8	114,1	114,4	111,5	:
	2	90,8	91,9	95,5	106,0	109,5	98,1	106,7	109,8	111,6	117,3	118,4	113,4	114,4	111,7	:
	3	90,5	91,7	95,4	107,5	107,6	98,2	108,6	109,3	112,0	118,4	115,8	114,2	112,7	113,6	:
	4	91,2	92,9	100,2	108,6	103,5	101,9	110,3	108,5	114,8	119,5	114,9	114,8	110,9	:	:
month	1	88,1	91,5	92,8	103,6	108,1	101,4	103,8	113,1	110,0	113,5	120,7	112,2	113,8	111,4	:
	2	88,9	91,9	92,5	103,9	107,3	101,0	105,0	112,4	110,4	115,9	120,6	115,4	114,3	111,6	:
	3	89,7	91,8	93,5	103,7	108,0	101,2	105,1	112,1	110,2	116,9	121,0	114,6	115,1	111,7	:
	4	90,1	91,5	94,0	105,6	109,2	98,6	106,1	110,4	112,4	116,6	119,7	113,6	115,1	110,8	:
	5	91,1	91,5	95,2	106,1	109,1	97,9	107,2	110,0	111,0	116,9	117,1	112,9	114,9	112,4	:
	6	90,8	91,9	95,5	106,3	110,3	97,7	106,7	108,8	111,5	118,4	118,4	113,9	113,2	111,8	:
	7	90,9	91,9	95,1	107,0	108,6	98,2	107,7	108,7	111,8	119,3	118,4	114,9	112,7	112,3	:
	8	90,1	91,1	94,8	108,0	107,6	97,9	107,6	109,3	111,1	117,7	114,4	112,3	112,4	113,8	:
	9	90,5	91,7	95,4	107,6	106,7	98,4	110,6	109,8	113,2	118,1	114,7	115,5	113,0	114,6	:
	10	90,9	92,6	97,0	108,0	105,5	100,7	109,3	108,8	114,1	119,5	115,4	114,9	111,9	114,0	:
	11	91,1	93,6	98,6	108,3	103,9	102,3	109,7	107,8	114,4	119,9	115,4	115,6	110,9	115,3	:
	12	91,2	92,9	100,2	109,4	101,2	102,8	111,9	108,8	116,1	119,3	113,8	113,9	109,8	:	:
Industrial confidence indicator (d)		Net balances, %														
year		5	-13	-7	11	-10	-41	-10	-19	-17	-3	-20	-31	-27	-20	:
quarter	1	17	-10	-15	7	3	-41	-17	-11	-20	-6	-7	-34	-24	-25	:
	2	9	-12	-9	13	-2	-48	-9	-19	-21	-3	-15	-33	-24	-21	:
	3	0	-13	-4	14	-11	-45	-6	-24	-17	0	-27	-29	-28	-18	:
	4	-7	-19	2	8	-28	-29	-8	-22	-9	-3	-33	-25	-30	-14	:
month	1	19	-11	-17	5	3	-38	-19	-9	-20	-6	-6	-32	-23	-28	-12
	2	17	-9	-15	6	3	-42	-17	-11	-20	-7	-7	-34	-24	-24	:
	3	14	-11	-12	11	3	-45	-14	-13	-20	-5	-7	-35	-24	-24	:
	4	13	-10	-11	12	0	-48	-11	-16	-21	-6	-11	-33	-23	-22	:
	5	9	-12	-8	13	-1	-48	-10	-19	-21	-3	-14	-33	-23	-22	:
	6	5	-13	-8	15	-4	-47	-7	-21	-20	-1	-20	-34	-25	-20	:
	7	2	-12	-6	16	-8	-46	-7	-23	-19	2	-25	-31	-26	-20	:
	8	0	-12	-4	14	-11	-46	-7	-25	-16	0	-26	-29	-28	-19	:
	9	-1	-14	-3	13	-16	-43	-5	-25	-15	-1	-30	-27	-30	-16	:
	10	-5	-19	-1	12	-23	-37	-8	-24	-13	-3	-30	-26	-30	-16	:
	11	-6	-20	2	7	-28	-28	-7	-22	-9	-2	-33	-26	-30	-14	:
	12	-9	-19	4	6	-32	-22	-8	-22	-6	-5	-35	-24	-29	-12	:
Production expectations		Net balances, %														
year		10	1	11	17	-7	-16	11	-2	4	9	-13	-13	-11	-3	:
quarter	1	19	4	2	20	1	-28	13	4	0	10	-1	-19	-6	-9	:
	2	12	3	9	23	-2	-26	13	-4	0	9	-9	-16	-6	-4	:
	3	6	3	14	20	-7	-22	14	-7	3	10	-21	-9	-13	-1	:
	4	2	-6	19	11	-21	1	10	-2	12	6	-22	-7	-17	3	:
month	1	23	1	-2	18	1	-27	13	8	0	12	0	-17	-6	-15	5
	2	21	5	2	20	-1	-29	12	5	-1	10	0	-20	-5	-9	:
	3	15	5	5	22	1	-30	13	2	0	10	-2	-20	-6	-4	:
	4	16	7	5	23	-2	-29	12	-1	0	9	-4	-16	-5	-4	:
	5	12	1	10	24	0	-27	13	-4	-2	10	-8	-15	-5	-4	:
	6	9	1	11	24	-3	-24	15	-5	0	9	-14	-16	-7	-3	:
	7	6	4	12	22	0	-25	13	-8	3	11	-20	-10	-8	-4	:
	8	6	4	15	21	-10	-24	15	-7	5	9	-20	-9	-13	-2	:
	9	6	0	16	19	-12	-17	15	-5	4	9	-24	-7	-17	2	:
	10	3	-4	21	19	-19	-10	11	-3	8	8	-21	-8	-18	2	:
	11	4	-8	19	11	-22	1	10	-1	11	8	-22	-7	-16	3	:
	12	0	-6	20	4	-23	10	11	-1	15	4	-23	-6	-17	5	:
Order-books		Net balances, %														
year		4	-23	-20	5	-14	-59	-30	-40	-34	-14	-31	-51	-47	-40	:
quarter	1	18	-18	-28	0	5	-56	-42	-29	-38	-18	-14	-53	-45	-47	:
	2	10	-22	-23	7	-3	-68	-29	-36	-41	-14	-24	-54	-45	-42	:
	3	-1	-24	-17	12	-16	-69	-25	-44	-34	-8	-39	-50	-49	-39	:
	4	-10	-30	-10	9	-37	-56	-27	-41	-26	-12	-48	-45	-49	-33	:
month	1	20	-17	-30	-2	7	-51	-47	-25	-40	-21	-13	-50	-44	-49	-28
	2	19	-16	-29	-2	6	-57	-42	-28	-37	-19	-15	-53	-45	-47	:
	3	17	-20	-27	5	4	-61	-39	-30	-38	-15	-13	-55	-45	-48	:
	4	15	-20	-24	6	0	-67	-32	-32	-42	-16	-19	-53	-44	-44	:
	5	11	-22	-22	6	-3	-68	-30	-36	-38	-14	-23	-54	-45	-43	:
	6	4	-24	-22	12	-5	-70	-26	-39	-37	-11	-29	-56	-47	-40	:
	7	1	-23	-19	15	-10	-70	-27	-41	-38	-7	-36	-53	-48	-39	:
	8	-2	-24	-17	12	-14	-70	-26	-45	-35	-8	-36	-50	-48	-40	:
	9	-4	-25	-16	11	-22	-68	-22	-43	-31	-11	-43	-47	-50	-37	:
	10	-8	-31	-15	9	-29	-64	-26	-43	-30	-13	-43	-45	-48	-36	:
	11	-10	-30	-9	11	-37	-56	-27	-40	-27	-11	-47	-46	-50	-33	:
	12	-14	-30	-3	9	-44	-52	-27	-40	-23	-12	-53	-45	-50	-30	:

Notes: see next page.

TABLE 5 (cont.): Monthly survey of manufacturing industry and related economic time-series: EC 9
Historical data, 1970 to 1984

		1970	1971	1972	1973	1974	1975	1976	1977	1978	1979	1980	1981	1982	1983	1984
Export order-books		Net balances, %														
year		- 1	-18	- 9	7	- 4	-39	- 8	-18	-20	- 6	-24	-31	-30	-25	:
quarter	1	0	- 7	-22	5	5	-38	-13	- 6	-25	- 9	-10	-37	-26	-32	:
	2	2	-16	-15	5	0	-47	- 7	-19	-23	- 5	-20	-33	-27	-28	:
	3	- 2	-19	- 6	6	- 2	-43	- 4	-23	-19	- 7	-32	-29	-31	-24	:
	4	- 3	-29	5	11	-20	-28	- 7	-24	-13	- 8	-37	-25	-34	-16	:
month	1	1	- 6	-23	5	6	-34	-13	- 4	-23	-11	- 9	-37	-26	-34	-12
	2	- 2	- 5	-23	8	5	-40	-15	- 7	-24	-10	- 9	-36	-26	-31	:
	3	1	- 9	-19	2	5	-42	-12	- 8	-28	- 7	-11	-38	-26	-30	:
	4	2	-11	-17	0	2	-47	- 7	-18	-24	- 5	-13	-34	-25	-32	:
	5	4	-19	-14	5	0	-45	- 8	-19	-22	- 5	-19	-34	-27	-28	:
	6	1	-19	-14	10	- 2	-48	- 5	-20	-22	- 5	-26	-33	-28	-24	:
	7	- 6	-13	-12	7	0	-46	- 2	-21	-22	- 5	-32	-31	-27	-25	:
	8	- 2	-19	- 6	5	0	-44	- 4	-22	-20	- 6	-31	-27	-31	-25	:
	9	1	-26	- 1	6	- 7	-39	- 4	-25	-16	- 9	-31	-28	-36	-23	:
	10	1	-28	5	13	-14	-35	- 6	-25	-15	- 8	-36	-26	-34	-19	:
	11	- 5	-30	4	13	-21	-27	-10	-23	-14	- 7	-36	-23	-35	-15	:
	12	- 5	-28	5	7	-25	-22	- 7	-25	-11	-10	-40	-26	-33	-13	:
Stocks of finished products		Net balances, %														
year		0	17	12	- 4	10	37	12	21	18	6	18	28	22	16	:
quarter	1	-11	16	17	- 1	- 2	39	19	11	21	11	7	28	22	19	:
	2	- 4	17	13	- 7	2	47	12	19	21	6	12	30	20	18	:
	3	5	16	10	- 9	11	42	9	25	19	1	23	27	23	16	:
	4	12	22	5	- 3	25	30	7	24	13	4	28	24	23	12	:
month	1	-14	17	20	2	0	35	22	8	21	11	6	29	21	21	13
	2	-11	15	18	0	- 3	39	20	11	21	11	7	29	23	17	:
	3	-10	17	14	- 5	- 3	43	17	12	21	9	7	31	22	19	:
	4	- 8	16	13	- 6	- 1	48	14	16	21	9	8	30	20	18	:
	5	- 4	17	13	- 8	0	47	12	18	21	5	11	30	19	19	:
	6	- 1	17	12	- 8	5	46	9	21	21	4	15	30	21	18	:
	7	2	15	11	-10	11	43	7	22	20	- 1	20	29	23	18	:
	8	5	16	10	-10	8	42	9	25	18	1	22	27	24	16	:
	9	6	18	8	- 8	13	43	9	26	17	2	25	25	23	14	:
	10	10	21	7	- 8	20	37	8	26	15	3	26	24	24	13	:
	11	12	22	5	2	25	30	4	23	13	3	29	25	25	11	:
	12	14	22	4	- 4	30	25	8	23	11	5	30	22	21	11	:
Selling-price expectations		Net balances, %														
year		29	24	27	44	48	20	48	34	35	49	38	40	32	30	:
quarter	1	41	27	23	41	60	18	38	42	32	43	50	32	38	24	:
	2	29	27	28	46	62	15	50	34	31	50	42	35	33	29	:
	3	24	22	25	42	45	13	61	33	36	52	29	44	28	32	:
	4	26	18	31	49	33	26	46	29	39	52	33	46	30	33	:
month	1	42	27	22	38	61	26	34	44	32	39	49	33	41	22	38
	2	38	27	23	42	61	19	35	44	33	40	53	31	37	25	:
	3	35	28	26	44	64	10	43	42	30	48	49	33	36	25	:
	4	32	28	27	44	61	12	49	37	32	48	46	33	33	28	:
	5	30	28	28	47	63	12	49	34	32	49	42	35	34	31	:
	6	26	26	28	45	59	15	54	34	30	50	39	37	33	29	:
	7	24	23	27	46	51	10	54	34	35	51	33	41	26	32	:
	8	25	21	25	42	47	14	57	32	35	54	31	43	26	32	:
	9	25	22	23	39	40	15	58	32	36	51	26	45	30	32	:
	10	24	20	26	43	35	21	46	32	41	53	33	49	32	32	:
	11	26	16	29	48	32	27	50	32	38	51	31	45	30	34	:
	12	27	18	36	56	32	28	46	28	38	52	33	45	29	33	:
Wholesale prices (c) of manufactured goods		Percentage increase on the corresponding period of the previous year														
year		5,7	5,5	3,9	8,1	22,0	10,0	11,3	10,5	6,4	11,0	15,2	11,5	9,6	6,2	:
quarter	1	6,0	5,4	3,5	5,7	18,0	15,8	8,0	13,3	6,8	7,8	16,8	11,0	11,5	6,7	:
	2	4,6	7,1	3,5	7,0	23,7	9,5	11,1	11,0	6,3	9,7	17,0	10,8	10,0	6,4	:
	3	6,2	5,3	3,6	8,9	23,3	8,2	12,4	9,8	6,2	12,2	14,3	12,1	8,8	6,1	:
	4	5,9	4,2	4,9	10,5	22,9	7,1	13,7	8,3	6,4	14,1	13,1	12,3	8,3	5,7	:

(a) Total of available country data.

(b) The data cover the Federal Republic of Germany (gross national product), France, Italy and the United Kingdom, representing approximately 80 % of Community production. The series are based on 1975 prices and exchange rates. All available revisions are included.

(c) Industrial production excluding building and construction and, in the case of France, the foodstuffs and beverages industry. Three months' moving average, latest revisions included.

(d) Composite indicator based on the survey questions on production expectations, stocks of finished products and order books (see notes below). The indicator is an average of the net balances, i.e. the differences between the percentages of respondents giving positive or negative replies, with the sign inverted for stocks.

(e) The component indices for Member States are taken from national sources. In the case of France, retail prices of manufactured goods are used.

Sources: Eurostat and European Community business surveys.

Price (excluding VAT) in Luxembourg

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